

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
PHILIP FREDERICK CAMINO,  
  
Defendant.

No. 8:24-cr-00074-FWS

I N F O R M A T I O N

[18 U.S.C. § 1349: Conspiracy to  
Commit Wire Fraud; 18 U.S.C.  
§ 982: Criminal Forfeiture]

The United States Attorney charges:

[18 U.S.C. § 1349]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant PHILIP FREDERICK CAMINO was a Canadian citizen legally residing in the Central District of California.
2. Defendant CAMINO controlled 13050Sushi, LLC; Stout Palm Springs, LLC; Stout Cupertino, LLC; Stout Bardstown, LLC; Camino Industries, LLC; 1071 Glendon Partners; 672 LA, LLC; EB

1 Venice, LLC; and Stout Four, LLC, which were located within the  
2 Central District of California (collectively the "California  
3 Entities").

4 3. Co-Conspirator-1 controlled Squabble, LLC; Healthy  
5 Body Solutions, LLC; and Healthy Lawn Solutions, LLC and Co-  
6 Conspirator-2 controlled Nucleon, LLC, which were all located in  
7 Arizona (collectively the "Arizona Entities").

8 THE PAYCHECK PROTECTION PROGRAM

9 4. The Coronavirus Aid, Relief, and Economic Security  
10 ("CARES") Act was a federal law enacted in or about March 2020  
11 that was designed to provide emergency financial assistance to  
12 Americans suffering economic harm as a result of the COVID-19  
13 pandemic. One form of assistance provided by the CARES Act was  
14 the authorization of United States taxpayer funds in forgivable  
15 loans to small businesses for job retention and certain other  
16 expenses, through a program referred to as the Paycheck  
17 Protection Program ("PPP"). PPP loan proceeds were required to  
18 be used by the business to pay certain permissible expenses:  
19 payroll costs, interest on mortgages, rent, and utilities.

20 5. To obtain a PPP loan, a qualifying business was  
21 required to submit a PPP loan application signed by an  
22 authorized representative of the business. The PPP loan  
23 application required the applicant business (through its  
24 authorized representative) to acknowledge the program rules and  
25 make certain affirmative certifications in order to be eligible  
26 to obtain the PPP loan. Such certifications required the  
27 applicant to affirm that "[t]he [PPP loan] funds will be used to  
28 retain workers and maintain payroll or make mortgage interest

1 payments, lease payments, and utility payments," and that the  
2 "loan proceeds will be used only for business-related purposes  
3 as specified in the loan application" and consistent with the  
4 PPP rules. The authorized representative of the applicant was  
5 also required to certify that "the information provided in this  
6 application and the information provided in all supporting  
7 documents and forms is true and accurate in material respects,"  
8 and "I understand that if the funds are knowingly used for  
9 unauthorized purposes, the federal government may hold me  
10 legally liable, such as for charges of fraud."

11 6. In the PPP loan application, the applicant was  
12 required to state, among other things, the business's:  
13 (a) average monthly payroll expenses and (b) number of  
14 employees. These figures were used to calculate the amount of  
15 money the small business was eligible to receive under the PPP.  
16 In addition, the applicant was required to provide documentation  
17 showing its payroll expenses, including federal tax filings and  
18 bank account records.

19 7. A small business's PPP loan application would be  
20 received and processed by a participating lender approved by the  
21 Small Business Administration ("SBA"). If a PPP loan  
22 application was approved, the participating lender would fund  
23 the PPP loan using its own monies, which were guaranteed by the  
24 SBA.

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1           THE ECONOMIC INJURY DISASTER LOAN PROGRAM

2           8.     The Economic Injury Disaster Loan Program ("EIDL") was  
3 a United States Small Business Administration ("SBA") program  
4 that provided low-interest financing to small businesses,  
5 renters, and homeowners in regions affected by declared  
6 disasters.

7           9.     The CARES Act authorized the SBA to provide EIDL loans  
8 of up to \$2 million to eligible small businesses experiencing  
9 substantial financial disruption due to the COVID-19 pandemic.

10          10.    To obtain an EIDL loan, a qualifying business was  
11 required to submit an application to the SBA and provide  
12 information about the business's operations, such as the number  
13 of employees, gross revenues for the 12-month period preceding  
14 the disaster, and cost of goods sold in the 12-month period  
15 preceding the disaster. In the case of EIDL loans for COVID-19  
16 relief, the 12-month period was the 12-month period from January  
17 31, 2019, to January 31, 2020. The applicant was also required  
18 to certify that all of the information in the application was  
19 true and correct to the best of the applicant's knowledge.

20          11.    EIDL loan applications were submitted directly to the  
21 SBA and processed by the agency with support from a government  
22 contractor. The amount of the loan, if the application was  
23 approved, was determined based, in part, on the information  
24 provided by the applicant about employment, revenue, and cost of  
25 goods sold. Any funds issued under an EIDL loan were issued  
26 directly by the SBA.

27          12.    EIDL loan funds could be used for payroll expenses,  
28 sick leave, production costs, and business obligations, such as

1 debts, rent, and mortgage payments. If the applicant also  
2 obtained a loan under the PPP, the EIDL loan funds could not be  
3 used for the same purpose as the PPP loan funds.

4 REVELANT LENDING INSTITUTION

5 13. Lender A is an approved SBA lender of PPP loans and  
6 located in Laguna Hills, California, within the Central District  
7 of California.

8 B. THE OBJECT OF THE CONSPIRACY

9 14. Beginning no later than in or around April 2020 and  
10 continuing until at least in or around April 2021, in Orange  
11 County, within the Central District of California, and  
12 elsewhere, defendant CAMINO, Co-Conspirator-1, and Co-  
13 Conspirator-2 conspired with one another and with others known  
14 and unknown to the United States Attorney to commit wire fraud,  
15 in violation of Title 18, United States Code, Section 1343, in  
16 connection with a fraudulent PPP and EIDL loan scheme.

17 C. THE MANNER AND MEANS OF THE CONSPIRACY

18 15. The object of the conspiracy was to be carried out,  
19 and was carried out, in substance, as follows:

20 a. Defendant CAMINO, using the California Entities  
21 and the Arizona Entities, submitted, and caused to be submitted,  
22 false and fraudulent applications to the SBA and lending  
23 institutions for PPP and EIDL loans (collectively the "PPP and  
24 EIDL Applications").

25 b. In the PPP and EIDL Applications, defendant  
26 CAMINO made, and caused to be made, false and fictitious  
27 statements and provided falsified documents to the SBA and the  
28 lending institutions, including inflating the number of

1 employees to whom were paid wages, providing fictitious federal  
2 tax forms that were never filed with the Internal Revenue  
3 Service, and falsely certifying that the loan proceeds would be  
4 used for permissible business purposes.

5 c. Defendant CAMINO electronically submitted, and  
6 caused to be submitted, the fictitious statements and falsified  
7 documents to the SBA and the lending institutions in support of  
8 the fraudulent PPP and EIDL Applications through interstate  
9 wires.

10 d. In reliance on defendant CAMINO's material false  
11 and fraudulent statements and concealment of material facts in  
12 the PPP and EIDL Applications, the SBA and lending institutions  
13 approved and funded the PPP and EIDL loans, and thereafter  
14 transferred the loan proceeds into bank accounts that defendant  
15 CAMINO controlled.

16 e. Defendant CAMINO used a majority of the  
17 fraudulently obtained PPP and EDIL loan proceeds for expenses  
18 prohibited under the requirements of the PPP and EIDL programs.

19 f. In return for use of the Arizona Entities in the  
20 PPP and EIDL Applications, defendant CAMINO paid Co-Conspirator-  
21 1 kickback payments using the PPP and EIDL loan proceeds.

22 16. As a result of the conspiracy above, defendant CAMINO  
23 submitted over 20 fraudulent PPP and EIDL Applications from  
24 which defendant CAMINO fraudulently obtained over \$4 million in  
25 PPP and EIDL loan proceeds from the SBA and lending  
26 institutions. Using those proceeds, defendant CAMINO paid Co-  
27 Conspirator-1 over \$100,000 for his role in the scheme.

1 B. OVERT ACT

2 17. In furtherance of the conspiracy and to accomplish its  
3 object, defendant CAMINO committed the following overt act  
4 within the Central District of California: On or about June 23,  
5 2020, defendant CAMINO sent an email to Lender A containing  
6 false documentation to support a \$144,270 fraudulent PPP loan  
7 application on behalf of Nucleon LLC, a company controlled by  
8 Co-Conspirator-2.

FORFEITURE ALLEGATION

[18 U.S.C. § 982]

1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(2), in the event of the defendant's conviction of the offense set forth in this Information.

2. The defendant, if so convicted, shall forfeit to the United States of America the following:

(a) All right, title and interest in any and all property, real or personal, constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of the offense; and

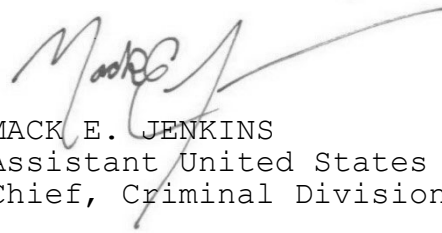
(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendant, if so convicted, shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph, or any portion thereof: (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished



1 in value; or (e) has been commingled with other property that  
2 cannot be divided without difficulty.

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